
Request For Proposal
FOR
Consultant Services
To Perform an Independent Audit of Pacific Gas
& Electric's (PG&E)
Vegetation Management Programs

October 11, 2002

Prepared by:

The California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Prepared for:

Pacific Gas & Electric Company

1. Purpose and Description of Services

1.1. Introduction

In this Request for Proposal (RFP), the California Public Utilities Commission's (CPUC or Commission) Consumer Protection and Safety Division (CPSD), formerly the Consumer Services Division (CSD), solicits qualified bidders for Consultant (or Contractor) services to perform an independent audit of Pacific Gas and Electric's (PG&E) Vegetation Management Programs. The Commission ordered the audit in Decision (D.) 99-07-029, which will be conducted under the direction of the Commission's investigative unit, CPSD. The Decision is available on the Commission website. The contract term is for approximately two (2) years, expiring August 20, 2004. The contract is anticipated to start January 27, 2003 and extend through August 20, 2004.

The Commission invites bidders to estimate the number of hours required to complete each task presented in Section 2. The sealed bid should also detail the number of hours required to complete each task, the cost for each task, and the cost estimate for the entire project. The Commission may amend the contract to meet circumstances that may change during the conduct of the audit. Additional tasks assigned as part of an amended contract would be compensated at the approved base rate.

1.2. Background

The Commission investigated PG&E's vegetation management practices, and on July 20, 1999, D. 99-07-029 was issued on this matter.

D. 99-07-029 required PG&E to fund up to \$22.7 million in vegetation management over the next 3 to 5 years. It ordered PG&E to contribute \$6 million contribution to the State of California General Fund. PG&E has made this payment. A breakdown of the future expenditures constituting the \$22.7 million follows:

Public Safety Awareness Programs	\$ 5.0 million
Quality Assurance and Audit Programs	1.9 million
Independent Audit Program	1.7 million
External Consultant Cost Reimbursement	0.1 million
PG&E Tree Removal/Replacement Program	14.0 million

This RFP is concerned with the Independent Audit Program listed above.

1.2.1 Process for Evaluating Invoices

The Contractor shall forward invoices for completed work to the Commission's Project Manager. The invoice shall include, but not be limited to, the tasks completed or performed, personnel who completed or worked on the tasks, number of hours personnel worked on the tasks, direct and indirect costs (Refer to Section 5, Attachment 3).

1.2.2 Program Management and Staffing

Unless otherwise stated, the Commission's Project Manager is Zee Wong, who will be the point of contact for the Consultant. The Consultant will report to the Project Manager.

1.3. Objectives

The independent audit is part of an overall remedy to ensure that PG&E's tree-trimming and Vegetation Management Programs comply with the orders, rules and regulations of the Commission.

The objectives of the independent audit are to provide assurances that PG&E maintains its tree-trimming and Vegetation Management Programs in a manner that is consistent with the Commission's safety and service quality standards thus assuring service reliability.

The funding criteria are listed below to provide guidance in the project evaluation process. The highest funding priority will be accorded to activities that evaluate and audit PG&E's:

- 1) Vegetation control performance in the field, including the electronic database to monitor customer refusals (customer refusals are where a customer does not allow PG&E onto the property to perform vegetation control management which includes tree-trimming activities) implemented to conform with the terms of Commission Orders;
- 2) Vegetation control management; and
- 3) Recorded vegetation control costs.

The specific objectives are to:

- Perform an independent audit of PG&E's Vegetation Management Programs, including its system-wide management, its vegetation control performance in the field, and the electronic database to monitor customer refusals. Customer refusals are where a customer does not allow PG&E onto the property to perform vegetation control management activities. The audit is to include random field inspections to monitor and assess the effectiveness of PG&E's vegetation management and control performance in the field, electronic data base accuracy and reliability, and the various internal tracking mechanisms implemented to conform with the terms of the Settlement Agreement.
- Perform an independent audit of PG&E's vegetation control management and quality assurance programs to ensure that they are sound, consistent with industry standards, and comply with the California Public Utilities Code and Commission orders.
- Perform an independent audit of PG&E's recorded vegetation control costs.
- Perform an independent audit of PG&E's response to tree-trimming calls made from PG&E's employees to PG&E's internal Compliance and Ethics Helpline to ensure that such calls are acted upon in a timely manner consistent with industry standards and the California Public Utilities Code and Commission orders.
- Perform an independent audit of PG&E's process of handling, and its response to, non-conforming conditions received by the 24-hour phone line, and other reported immediate safety hazards and tree-vegetation contacts with power lines, to determine whether such reports are handled in a timely and appropriate manner consistent with industry standards and the California Public Utilities Code and Commission orders.

- Perform an independent audit to ensure that PG&E's shareholders fund PG&E's tree removal/replacement program.
- Perform an independent audit to ensure that PG&E funds designated for PG&E Vegetation Management programs are expended in accordance with Commission orders, rules and/or regulations.

1.4. Organization of the Remainder of the RFP

The rest of this RFP is organized as follows:

- Section 2 presents a detailed work scope,
- Section 3 describes the minimum qualifications for proposers/bidders,
- Section 4 details the proposal requirements,
- Section 5 provides the required attachments, and
- Section 6 presents the sample standard agreement (STD 213).

2. Detailed Scope of Work

2.1. Overview

This section discusses the overall work scope for the independent audit process. Broadly, the independent audit process involves ensuring that PG&E's Vegetation Management programs promote public safety, conform to the terms of the Commission's order and are in compliance with Commission rules and regulations.

2.2. Independent Audit Objectives and Tasks

The specific objectives for the independent audit are as follows:

- Perform an independent audit of PG&E's Vegetation Management Programs, including its system-wide management, vegetation control performance in the field, and the electronic database to monitor customer refusals to determine efficacy of PG&E's efforts to comply with the Commission's order(s) and the accuracy of PG&E's records and statements about its compliance with Commission orders. The audit is to include random field inspections to verify the audit findings of PG&E's vegetation management and control performance, electronic data base accuracy and reliability and the various internal tracking mechanisms implemented to conform with the terms of the Commission's order.
- Perform an independent audit of PG&E's vegetation control management quality assurance process to ensure that it is sound, consistent with industry standards, and complies with the California Public Utilities Code and Commission orders.
- Perform an independent audit of PG&E's recorded vegetation control costs.
- Perform an independent audit of PG&E's response to tree-trimming calls from PG&E's employees made to PG&E's internal Compliance and Ethics Helpline to ensure that such calls are acted upon in a timely manner consistent with industry standards and the California Public Utilities Code and Commission orders.
- Perform an independent audit of PG&E's process of handling, and its response to, non-conforming conditions received by the 24-hour phone line, and other reported immediate safety hazards and tree-vegetation contacts with power lines, to determine whether such reports are handled in a timely and appropriate manner consistent with industry standards and the California Public Utilities Code and Commission orders.
- Perform an independent audit to ensure that PG&E's shareholders fund PG&E's tree removal/replacement program.
- Perform an independent audit to ensure that PG&E funds designated for PG&E Vegetation Management Programs are expended in accordance with Commission orders, rules and/or regulations.

The specific tasks for the independent audit are the following:

- Task 1: Refine the Scope of Work,
- Task 2: Initial Meeting with PG&E Personnel
- Task 3: Record Review
- Task 4: Contractor Work Review
- Task 5: Field Review
- Task 6: Incident Review
- Task 7: Planning Review
- Task 8: Internal Audit Review
- Task 9: Monthly Reports and Briefings
- Task 10: Semi-Annual and Final Reports and Briefings

Each of these is described below.

2.3. Task 1: Refine the Scope of Work

The first task in the independent audit process will be to meet with the Project Manager and refine the independent audit work scope. This will involve having a project initiation meeting to discuss and finalize the audit goals and objectives, specific tasks, the schedule and the budget. The result of this process shall be a detailed final work plan deliverable to the Commission.

2.4. Task 2: Initial Meeting with PG&E Personnel

The purpose of this task is to become familiar with and to understand PG&E's Vegetation Management Program. Contractor (or Consultant) shall meet with PG&E personnel to obtain an overview of their Vegetation Management Program and financial records associated with the program. This would include, but not be limited to, understanding and reviewing the electronic database, records (i.e., customer refusal records where customers refuse PG&E access to their property and PG&E is unable to perform vegetation control management activities, pre-and post-inspection records, contract agreements and costs related to the Vegetation Management Program), hotline records (i.e., customers calls to the 1-800 number when a tree is an immediate or potential hazard), financial records. Contractor shall provide a detailed report outlining PG&E's Vegetation Management Program to the Commission.

2.5.Task 3: Record Review

PG&E has a record of the approximate number of trees associated with a circuit. These records are used to plan pre- and post-inspections, tree-trimming, and quality assurance process. Various independent contractors perform pre-inspections, post-inspections, tree-trimming, and quality assurance in order to ensure the work is conducted properly. Contractor shall review these records in order to ensure that PG&E is completing the field work and maintaining thorough and accurate records.

Contractor shall also examine records documenting the process for identification of dead, rotten, and decayed trees, and what identify and confirm what remedial measures are taken with respect to these trees. Contractor will ensure that the pre-inspection notes and post-inspection notes concur with each other.

Contractor shall review documents pertaining to PG&E's Helpline number and their internal Compliance and Ethics Hotline number to confirm that any tree trimming issues or complaints were properly addressed in a timely manner and were consistent with industry standard and the California Public Utilities Commission orders.

Contractor shall review all financial records associated with the vegetation management program to assure that all costs are prudent, necessary, and supported by documentation.

2.6. Task 4: Contractor Work Review

Contractor shall review the work product of PG&E's independent contractors and employees that are directly associated with the Vegetation Management Program to determine the level of efficiency and accuracy of workers' work product, including pre-inspectors, post-inspectors, Quality Assurance Program inspectors, and tree trimmers. The review of the work product will include, but is not limited to, the following: records documenting work performed in the field, up-to-date reports of geographic areas inspected, knowledge of state and Commission laws, rules and regulations with respect to tree line clearance and safety, and general knowledge of tree species and growth patterns. Contractor's review will evaluate whether the field performance of PG&E's contractors and personnel is conducted in a timely manner that promote safety and reliability throughout PG&E's service territory, represents a thorough and accurate review and reporting of compliance with the Commission's tree line clearance orders, rules, and laws.

2.7. Task 5: Field Review

Random periodic field samples of PG&E's service territory shall be inspected by the Contractor to insure that PG&E's independent contractors and PG&E employees thoroughly and accurately documented the condition of all trees in PG&E's service territory, and reported all existing violations or potential hazards of state law or Commission orders, rules or regulations. Contractor shall develop specifications for determining a reasonable sample of PG&E's entire service territory reflecting a representative geographic and demographic cross-section of PG&E's territory. The representative sample will reflect a statistically significant percentage of the territory, and will be statistically defensible, and subject to review and approval by the Commission. The field review should ensure that the Vegetation Management Program complies with appropriate State laws, as well as all Commission orders, rules and regulations. During field review, if the Consultant finds a noncompliance with General Order 95, Rule 35 and/or the Public Resource Code, Sections 4292 and

4293, the Consultant shall notify the Commission's CPSP, in writing, within 24 hours of finding the noncompliance.

2.8 Task 6: Incident Review

Contractor shall review tree related incidents that are reported to the Commission's CPSP and determine if a correlation exists between the date of the incident and the date of last trim of the tree and of the area.

2.9. Task 7: Planning Review

Contractor shall review PG&E's current plans and recommend any changes to the Vegetation Management Program and database to ensure that the changes will either lower costs and/or promote a greater overall level of compliance by the program. Contractor shall provide documentation of PG&E's analytical process for revising its current program, including the type of changes considered, alternatives considered, expected outcome of any changes to the existing program, and the method for determining what this outcome will be.

2.10. Task 8: Internal Audit Review

Contractor shall review PG&E's internal audits on both the operational side and the financial side of the Vegetation Management Program to determine if PG&E is conducting an adequate level of quality assurance of the program.

2.11. Task 9: Monthly Reports and Briefings

Contractor shall provide a monthly status report to the Project Manager on the status of the audit including, but not limited to, activities that took place the previous month, activities that are planned for the next month, identification of any deficiencies with the programs reviewed and, recommendations to correct any deficiencies. Contractor shall provide verbal briefings as requested by the Project Manager. Contractor shall work with the Project Manager and her designees to develop a structured report form for this monthly report.

2.12. Task 10: Semi-Annual and Final Reports and Briefings

Provide semi-annual reports to document the activities that took place during the year, including deficiencies with the program, recommendations to correct the deficiencies, and implementation of the corrective action. A schedule shall be included to show that the deficiencies identified are corrected in a timely manner. Contractor shall provide semi-annual and final briefings to individuals designated by the Project Manager.

The semi-annual and final reports should analyze the efficacy of PG&E's efforts to comply with the terms of the Commission order, the accuracy of PG&E's records and statements about its compliance with the Commission order, and the overall status of PG&E's Vegetation Management Program.

3. Minimum Qualifications for Proposers/Bidders

3.1. Overview

This section presents minimum requirements, when using a team approach along with required information, to include in the proposal on team qualifications.

3.2. Requirements for Teams

Bidders may form teams to bid on the scope of work contained within this RFP. However, if a team approach is used, all subcontracting firms must be identified in the bidder's proposal. If a team is selected, substitution of subcontracting firms will be strictly subject to pre-approval of the Program Manager and will necessitate amending the existing contract. The bidder has to act as Prime Contractor. The Commission will require that the Prime Contractor be responsible for a minimum of 30% of the work performed as measured by total hours billed.

3.3. Requirements for Proposal Qualifications

Proposals shall include, but not be limited to, the following:

1. Qualifications and experience by project of all individuals who would perform work (including any subcontractor personnel).
2. Names of all individuals who would perform work (including any subcontractor personnel). No substitution of personnel will be permitted without prior written approval of the Commission's Program Manager.
3. Previous experience of the contractor and any subcontractors in performing similar work. Experience should include, but not be limited to, the following: vegetation control performance, including electronic database; vegetation control management; and recorded vegetation control costs.
4. The staffing proposal must include up-to-date, detailed resumes of the proposed staff. These resumes are to include a description of responsibilities in other assignments that are used as examples. Descriptions that are limited to "participated" or "assisted in" are of little value in determining the qualifications and experience of these individuals and will not be considered adequate for evaluation of staff qualifications and proposed assignments.
5. The approximate percentage of time to be devoted by all members of the staff who will be participating.
6. References from clients of previous projects performed by the contractor.

3.4 Conflict of Interest.

3.4.1. Automatic Disqualification The following conditions, for any prospective team member (firm, firm management, project management, or assigned individuals, and any subcontractors), constitute **automatic disqualification** from the selection process:

- a. Current contracts/employment with, or active proposals before, Pacific Gas & Electric Co. or any parent, subsidiary, or affiliate thereof.¹
- b. Employment by the Commission within the last twelve (12) months which involved any employee working on Decision 99-07-029.

3.4.2. Former state employees:

- a. For the two-year period from the date of leaving state employment, no former state officer or employee may enter into a contract in which that person was engaged in any of the negotiations, transactions, planning, arrangement or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- b. For the twelve-month period from the date of leaving state employment, no former state officer or employee may enter into a contract with any state agency if that person was employed by that state agency in a policy-making position in the same general subject area as the Request for Proposal within the twelve-month period prior to that person leaving state service. This does not apply to contracts with former employees as an expert witness, or continuation of attorney services the former employee was involved with prior to leaving state service.

3.4.3. Current State Employees:

- a. No officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency unless the employment, activity, or enterprise is required as a condition of regular state employment.
- b. No officer or employee shall contract on that person's own behalf as an independent contractor with any state agency to provide goods or services.

3.4.4. Conflict of Interest 1) Provide a statement, signed by the principal of each participating firm, that the conditions specified in Section 3.4.1 (Automatic

¹ Subcontractors to current contracts with PG&E, its parent, subsidiaries or affiliates are not automatically disqualified as long as the total value of all such subcontracts does not exceed \$25,000. Any such subcontracts must be described in the Conflict of Interest section below.

Disqualification), as resulting in automatic disqualification do not exist for any proposed team member (prime or subcontractor, firm or individual). 2) Other conditions may render a team unable to give impartial, technically sound, objective assistance and advice, otherwise result in a biased work product, or result in an unfair competitive advantage. In order to properly evaluate and judge the proposed team, and avoid termination and/or controversy at a later stage, DISCLOSE for each participating firm and individual:

- a. Prior contracts during the last three years in any category with Pacific Gas & Electric Co. or any parent, subsidiary, or affiliate thereof; and any special relationship between the team, firm or assigned individuals and employees of the above named firm. (For contracts, provide the total amount of payments, duration and nature of service.)
- b. Any current subcontracts to contracts with PG&E. (Provide the total amount of payments duration and nature of service provided.)²
- c. Contracts during the last three years, including current contracts, with any state agency that is a party to the Commission Decision, and any special relationship between the team, firm, or assigned individuals and employees of the above-named agency. (For contracts, provide the total amount of payments, duration and nature of services provided.)
- d. Contracts during the past three years, including current contracts, with any party to the Commission Decision other than a state agency, and any special relationship between the team, firm, or assigned individuals and employees of the above-named entity. (For contracts, provide the total amount of payments, duration and nature of services provided.)
- e. Any current business relationship (including active proposals) or pecuniary interest in the entities described in paragraphs (a.) and (b.) above in Section 3.4.4. (List the entity's name, the nature, the scope and duration of the relationship or interest and its total monetary value.)
- f. Any work performed within the last three years for other electric utilities, companies or entities planning, developing, constructing or operating the delivery of energy or ancillary services to California consumers (including marketing, brokering, financial instruments and demand-side management). (Provide the client name, total amount of payments, duration and nature of services provided.)
- g. Any current business relationship (including active proposals) or pecuniary interest in the firms described in paragraphs (a.) and (b.) of Section 3.4.4. Provide the firm's name, the nature, scope and duration of the relationship or interest, and its total monetary value.

² As discussed in footnote 1, if the total value of all such subcontracts exceeds \$25,000, then the subcontractor would be automatically disqualified.

4. Proposal Requirements

4.1. Time Schedule for Submission and Review of Proposals

It is recognized that time is of the essence. All proposers/bidders are hereby advised of the following schedule and will be expected to adhere to the required dates and times. The following table shows the timetable of events:

Table 4-1: Timetable of Events

Tentative Dates

Event	Date
Request for Proposal (RFP) issued and advertised	Revised October 25, 2002 October 11, 2002
Deadline for written questions regarding this Request for Proposal	November 8, 2002 October 25, 2002
Proposals are submitted no later than 5:00 p.m.	November 22, 2002 November 8, 2002
Evaluation of written bids complete	December 6, 2002 November 22, 2002
Bidder interviews start	December 16, 2002 December 2, 2002
Bidder interviews end	December 27, 2002 December 13, 2002
Evaluation of proposals completed	January 10, 2003 December 27, 2002
Public bid opening held at 505 Van Ness Ave.	January 20, 2003 January 6, 2003
Proposed award notice will be posted at 505 Van Ness Avenue	January 22, 2003 January 8, 2003
Contract awarded (if no protest is filed by deadline)	January 29, 2003 January 15, 2003
Contract approved and signed by the Commission & Consultant (date approximate) and approved by Department of General Services	February 10, 2003 January 27, 2003
Contract work starts	February 10, 2003 January 27, 2003

4.2. Work Plan and Schedule Requirements

Independent Audit Tasks

The following lists the deliverables and estimated target completion dates for Independent Audit tasks. Note that all dates are tentative.

- **Task 1: Refine the Scope of Work.** Finalize the audit goals and objectives, specific tasks, and the schedule and budget, and produce a detailed final audit plan.
 - Deliverable: Audit Plan.
 - Target completion date: Within 2 weeks of the contract start date.
- **Task 2: Initial Meeting with PG&E Personnel.** The contractor shall acquire a thorough, detailed understanding of PG&E's Vegetation Management Program, including, but not limited to, tree-trimming activities and records, vegetation control activities and records, the electronic database and refusals procedure, and the procedure to responses to calls from the internal and external helpline where calls are received when a tree is a potential or immediate hazard.
 - Deliverable: Report Outlining PG&E's Vegetation Management Program.
 - Target completion date: Within 3 weeks of the contract start date.
- **Task 3: Record Review.** Review records pertaining to the Vegetation Management Program including: pre- & post inspections, tree-trimming, quality assurance, financial records, 1(800) Helpline records and internal Compliance and Ethics Hotline.
 - Deliverables: Statement of findings to be included in monthly reports and Semi-Annual and Final Reports.
 - Target completion date: Ongoing.
- **Task 4: Contractor Work Review.** Ensure that workers in the PG&E Vegetation Management Program are appropriately trained, aware of and performing their duties in accordance with State Laws and PG&E's specification.
 - Deliverables: Statement of findings to be included in monthly reports and Semi-Annual and Final Reports.
 - Target completion date: Ongoing.
- **Task 5: Field Review.** Conduct random periodic field samples of PG&E service territory to ensure overall vegetation management is in compliance with State Laws. During the field review, if the Consultant finds a noncompliance with General Order 95, Rule 35 and/or the Public Resource Code, Sections 4292 and 4293, notify the Commission's CPSD within 24 hours of finding the noncompliance.
 - Deliverables: Prior to performing the field samples, submit a plan to the Project Manager showing the number and locations of field samples.

- Upon completion of the sampling, submit a report to Project Manager, summarizing the findings. If applicable, submit a letter to the Commission's CPSD regarding the noncompliance with General Order 95 and the Public Resource Code, within 24 hours of finding the noncompliance.
- Target completion date: Ongoing.
 - **Task 6: Incident Review.** Review incident records and determine if a correlation exists between the date of an incident and the date of the last trim.
 - Deliverable: Statement of findings to be included in monthly reports and Semi-Annual and Final Reports.
 - Target completion date: Ongoing.
 - **Task 7: Planning Review.** Evaluate current changes planned for Vegetation Management Program to ensure these changes will lower costs and/or promote a greater overall level of compliance.
 - Deliverable: Statement of findings to be included in monthly reports and Semi-Annual and Final Reports.
 - Target completion date: Ongoing.
 - **Task 8: Internal Audit Review.** Conduct an internal audit of PG&E's Vegetation Management Program to determine the state of the program's quality assurance.
 - Deliverable: Statement of findings to be included in monthly reports and Semi-Annual and Final Reports.
 - Target completion date: Ongoing.
 - **Task 9: Monthly Reports and Briefings.** A detailed statement of the status of the audit, the previous month's activities and the planned month's activities.
 - Deliverable: Monthly Written Reports and Verbal Briefings (as Needed).
 - Target completion date: Monthly and at the start to the end of the project.
 - **Task 10: Semi-Annual and Final Reports and Briefings.** Semi-Annual reports will document the activities that took place during the year, including deficiencies with the program, recommendations, and implementation of the corrective action. The final report will report on the efficacy of PG&E's effort to comply with the terms of the Settlement Agreement, and all findings. Provide briefings upon delivery of the semi-annual and final reports.
 - Deliverable: Semi-Annual and Final Reports and Briefings
 - Target completion date: June 30 and December 31 of each year and a Final Report at the end of the contract.

4.3. Cost Detail Format

The proposed work should be broken down into the Work Plan and Work Schedule for the purpose of this proposal. The total costs of all tasks and milestones cannot exceed \$1.7 million. Use the Sample Cost Proposal Worksheet (Attachment 3 in Section 5 of this RFP) as a guide in preparing your cost proposal.

4.4. Format of Proposals

The proposal shall include the following information:

Overview of Proposal

Describe the purpose and objectives of the audit and how the proposal is arranged.

Bidders Business Information

- State your firm's full name, address, and, if applicable, the branch office and any subcontractors that would perform or assist in performing any of the work.
- Designate persons authorized to act on behalf of your firm during contract negotiations.
- State your earliest available starting date.
- State the names, addresses, and telephone numbers of the key personnel of your firm who would be working as Consultants. Include a copy of each key staff member's resume.
- Include a management and organization chart of the proposed organization and team, including any Prime Contractor and subcontractor relationships.
- Show the proposed relationships between the project Coordinator, key personnel, support staff and other resources that are expected to participate in the project, showing which aspects of the work each person will be responsible for performing and the approximate percentage of his/her time devoted to the project.
- If subcontractors are a part of the bidder's team, the requested information, including current resumes, must be provided for them as well as the Prime Contractor.
- The proposal should designate the key personnel assigned to this contract with the understanding that the Commission will require that all professional work billed under this contract be performed by the identified personnel, with approximately the same time commitment as indicated in the organization chart.

Technical Issues

Discuss the technical issues involved in conducting this independent audit, including those presented in this RFP.

Work Tasks

Submit a detailed work plan for accomplishing the tasks outlined in this RFP. A detailed work plan should include the following:

- Describe the management process by which the deliverables specified in the Scope of Work will be accomplished.
- Describe your firm's management procedures for planning, scheduling, and budgeting, as well as the procedures to be used in controlling time used, dollars spent, and quality control over deliverables.
- Describe the specific steps your firm intends to complete in performing the project tasks.
- Describe prospective arrangements to remain in contact and to coordinate with the Commission's Program Manager and consultant team.

Project Schedule

Submit a schedule for accomplishing the tasks and delivering work products. The proposer/bidder should provide a conservative project timeline that estimates the number of days to complete each task element identified in the workplan, identifies and accounts for all possible delays, and meets the target deadlines with a high degree of certainty.

Staffing Plan

The proposal should include the personnel assigned to each task and the number of hours for each staffing type or staff level needed to complete each deliverable.

Qualifications

The proposal should also include the following supporting documentation:

- Describe all applicable qualifications and provide detailed explanation of special capabilities directly related to conducting the independent audit.
- Fully describe all previous experience performing audits of the type required under this RFP, and provide examples of previous deliverables.
- Fully describe all previous contract work done with any of the investor owned or municipal utilities in California in the past five years.
- Provide the Commission with two to five examples of previous work products. The examples of the work products should include, at the minimum, vegetation control performance (includes tree-trimming) in the field, including the electronic database to monitor a customer's refusal to allow PG&E on the property to perform vegetation control activities; vegetation control management; and recorded vegetation control costs.
- Provide a list of similar previous audits and list of references.

Forms and Attachments

Attachments to be submitted with the proposal are provided in Section 5.

4.5. Submission Procedures

Submission Requirements

Proposers/bidders must comply with the following submission requirements:

1. Proposals should provide straightforward and concise descriptions of the proposer's/bidder's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies, or misstatements will be sufficient cause for rejection of a proposal.
2. Due to limited storage space, the proposal package should be prepared in the least expensive method (i.e., cover page with staple in upper left-hand corner, no fancy bindings).
3. All proposals must be submitted under **sealed** cover and received at the Commission by November 8, 2002 by 5pm. Proposals received after this date and time will not be considered.
4. A minimum of four (4) copies of the proposal must be submitted.
5. The original proposal must be marked "ORIGINAL COPY." All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.

6. The proposal package must be plainly marked with the RFP number and title and your firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

*RFP (02-08-001-PG&E)
Independent Audit of PG&E's Vegetation Management Programs
Firm XYZ
Pawtucket, California 92111*

DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of proposer/bidder must be provided.

The bid price and all cost information must be submitted in a separate sealed envelope. The envelope should be affixed to the outside of the proposal package and marked "Sealed Cost Proposal-DO NOT OPEN." Proposals not submitted under sealed cover and marked as indicated may be rejected.

7. All proposals shall include the documents identified in Section 5, Attachment 1, Checklist. Documents in your proposal must appear in the order that they are listed in Section 5, Attachment 1.

8. Proposals must be mailed or delivered to the following address:

California Public Utilities Commission
ATTN: Contracts, Room 2004
505 Van Ness Ave
San Francisco, CA 94102

9. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
10. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all proposals and may waive any immaterial deviation in a proposal. The State's waiver of immaterial defect shall in no way modify the RFP document or excuse the proposer/bidder from full compliance with all requirements if awarded the agreement.
11. Costs for developing proposals are entirely the responsibility of the proposer/bidder and shall not be charged to the State of California.
12. An individual who is authorized to bind the proposing firm contractually shall sign the Attachment 2 Proposal/Proposer/Bidder Certification Sheet (Section 5). The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
13. A proposer/bidder may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline. Proposal modifications offered in any other manner, oral or written, will not be considered.
14. A proposer/bidder may withdraw its proposal by submitting a written withdrawal request to the State, signed by the proposer/bidder or an agent authorized in accordance with number 8 above. A proposer/bidder may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
15. The awarding agency may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
16. The awarding agency reserves the right to reject all proposals for reasonable cause. If all proposals exceed the authorized budget, the agency is not required to award a contract.
17. Proposers/bidders are cautioned to not rely on the State during the evaluation to discover and report to the proposer/bidder any defects and errors in the submitted documents. Proposers/bidders, before submitting

their documents, should carefully proof them for errors and adherence to the RFP requirements.

18. More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered. Reasonable grounds for believing that any proposer/bidder has submitted more than one proposal for the work contemplated herein will cause the rejection of all proposals submitted by that proposer/bidder. If there is reason to believe that collusion exists among proposers/bidders, none of the participants in such collusion will be considered in this or future procurements.

4.6. Evaluation Procedures

Proposal Evaluation Process

The following process will be used to evaluate the Independent Audit proposals:

- a) After the bid deadline, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b) The State will put each proposal through a process of evaluation to determine its responsiveness to the State's needs.
- c) Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer/bidder, may be rejected. If, in the opinion of the State, such information was intended to mislead the State in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.
- d) Final selection will be based on the most responsive proposal with the lowest cost.

Proposal Evaluation Steps

Step 1

The proposals that meet the minimum qualifications will be evaluated and scored according to the criteria indicated below. A minimum of 80 points must be achieved in this phase to be considered responsive. (A responsive proposal is one that meets or exceeds the requirements stated in this RFP.) The Commission, based on information presented above under Section 4.5.1 Submission Requirements, established these criteria. Below is an example of possible rating categories:

- 20%: Quality of the team: relevant experience and capabilities such as, but not limited to, vegetation control management, financial auditing, and records review.
- 20%: Responsiveness to the RFP: conceptual approach to accomplishing one or more tasks; creativity of proposal.

- 20%: Quality of prior technical reports, financial records and preparation of meeting and administrative documents.
- 20%: Analytical techniques to be employed.
- 10%: Timeliness past record in providing deliverables and services on time and under budget.
- 5%: Response of references.
- 5%: Conflict of Interest.

The maximum possible score in step 1 will be 100. All bidders who score at or above 80% of the total points in step 1 will become finalists and will move on to step 2.

Step 2

This step will consist of interviews and presentations from bidders who have achieved a score of 80 or higher in Step 1. Proposers/bidders will be evaluated on the quality of their presentations and their answers to standard interview questions. The presentations should consist of the proposer's/bidder's proposals to achieve the work tasks identified in this RFP. Presentations will be scored on the basis of a total of 100 possible points, with points distributed as follows:

- 60% Presentation (content, understandability, schedule and budget of the project)
- 40% Answers to Interview Questions

All bidders who score at or above 85% of the total points in step 2 will become finalists and will move on to step 3.

Step 3

This step consists of opening and evaluating the sealed cost proposals. All proposals that enter step 3 will have received 85 points or more in step 2 and are considered fully capable of performing the required services. The sealed envelopes containing the bid price and cost information for the proposals that meet the format requirements and standards shall then be publicly opened and read. The agreement will be awarded to the lowest responsible bidder meeting the requirements outlined in this RFP. If no proposals are received, containing bids offering a price, which in the opinion of the awarding agency is a reasonable price, the awarding agency is not required to award an agreement (Public Contract Code 10344 (d), 10377 (d)).

4.7. Award and Protest

Contract awards and protests will be governed by the following terms:

- a) Whenever an agreement is awarded under a procedure that provides for competitive bidding, but the agreement is not to be awarded to the finalist who is also the low bidder, the low bidder shall be notified by telegram, electronic facsimile transmission, overnight courier, or personal delivery five (5) working days prior to the award of the agreement.
- b) Upon written request by any proposer/bidder, notice of the proposed award shall be posted in a public place in the office of the awarding agency at least five (5) working days prior to awarding the agreement.
- c) If any proposer/bidder, prior to the award of agreement, files a protest with the awarding agency on the grounds that the (protesting) proposer/bidder is the lowest responsible proposer/bidder, the agreement shall not be awarded until either the protest has been withdrawn **or the Department of General Services has decided the matter.**

- d) Within five (5) days after filing the initial protest, the protesting proposer/bidder shall file with the **Department of General Services** and the awarding agency a full and complete written statement specifying the grounds for the protest. The written protest must be sent to the **Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, West Sacramento, California 95605**. A copy of the written protest must be mailed to the Commission at the address in Section 4.5.1, paragraph 8. It is suggested that you submit any protest by certified or registered mail.
- e) Upon award of the agreement, Contractor must complete and submit to the awarding agency the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to the awarding agency.
- f) Upon award of the agreement, Contractor must sign and submit to the awarding agency, *page one (1)* of the Contractor Certification Clauses (CCC), which can be found on the Internet at www.dgs.ca.gov/contracts. This document is only required if the proposer/bidder has not submitted this form to the awarding agency within the last three (3) years.

4.8. Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public. The State cannot prevent the disclosure of public documents. However, the contents of all proposals, draft proposals, correspondence, agenda, memoranda, working papers, or any other medium that discloses any aspect of a proposer's/bidder's proposal, shall be held in the strictest confidence until the "Letter of Intent" (contract award) is posted.

Proposal packages may be returned only at the proposer's/bidder's expense, unless such expense is waived by the awarding agency.

4.9. Standard Conditions of Service

The following standard conditions of service will be enforced:

- a) Service shall be available not later than January 27, 2003, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the awarding agency, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's Proposal price and the actual

cost of performing work by the second lowest proposer/bidder or by another contractor.

- b) All performance under the agreement shall be completed on or before the termination date of the agreement.
- c) The State does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable. The GTC may be viewed at Internet site www.dgs.ca.gov/contracts.
- d) No oral understanding or agreement shall be binding on either party.

4.10. Preference Programs

The standard contract language for the preference programs can be found at the Internet web sites listed below:

- 1. Small Business Enterprise (SBE)
www.osmb.dgs.ca.gov/program.htm
- 2. Target Area Contract Preference Act (TACPA)
www.osmb.dgs.ca.gov/tacpa/program.htm
- 3. Local Agency Military Base Recovery Area (LAMBRA) Act
www.osmb.dgs.ca.gov/lambra/program.htm
- 4. Enterprise Zone Act (EZA)
www.osmb.dgs.ca.gov/eza/program.htm
- 5. Standard contract language for the Disabled Veteran Enterprise Program (DVBE)
www.osmb.dgs.ca.gov/dvbepp/program.htm

To view the DVBE package and obtain the required submittal forms, go to the web site listed above.

4.11. Disabled Veteran Business Enterprise Participation Program Requirements

Public Contract Code Section 10115 et seq. establishes a contract participation goal of at least three percent (3%) for disabled veteran business enterprise (DVBE). This goal applies to a state agency's overall contracting program. State agencies have the discretion to apply the DVBE participation goal to individual contracts. DVBE participation requirements are included for this contract. This solicitation attachment provides program information and bidder responsibilities for the DVBE Participation Program. Bidders must meet DVBE Participation Program requirements to be viewed as a responsive bidder and considered for contract award. Failure to submit a complete response may result in a non-responsive determination, in which case the bid will be rejected.

For bid response assistance, regarding DVBE, please contact the contracting official below:

Ivan Jen
 California Public Utilities Commission
 505 Van Ness Avenue Room 2004, San Francisco, CA 94102
 Phone: 415-355-4994
 FAX: 415-703-5922
 E-mail: ivn@cpuc.ca.gov
 Department Homepage: <http://www.cpuc.ca.gov>

The Office of Small Business Certification and Resources (OSBCR) offers program information and may be reached at:

Department of General Services
 Office of Small Business Certification and Resources
 707 3rd Street 1st Floor Room 400
 West Sacramento, CA 95605
 Homepage: <http://www.dgs.ca.gov/osbcr>
 Receptionist: (916) 375-4940 or (800) 559-5529
 24-Hour Recording & Mail Request call (916) 322-5060

4.12. Required Attachments

A complete proposal or proposal package will consist of the items identified below. For your proposal to be responsive, all required attachments must be returned. If an attachment is not applicable to your firm, you must indicate "Not Applicable" on the form, sign it, and return it with your proposal. Attachments 1 through 6 are applicable to all bidders.

- Attachment 1: Attachment Check List
- Attachment 2: Proposal/Proposer/Bidder Certification Sheet
- Attachment 3: Cost Sheet (submitted under separate cover)
- Attachment 4: Disabled Veteran Business Enterprise Participation Forms and Instructions
 - Std. 840 Disabled Veteran Business Enterprise Participation Summary (page 1) (<http://www.documents.dgs.ca.gov/pd/dvbe/std840.pdf>)
- OR**
- Good Faith Effort Documentation – Exhibit A – (<http://www.documents.dgs.ca.gov/pd/dvbe/goodfaith.pdf>)
- Attachment 5: Payee Data Record (STD 204) (if currently not on file) (may be found at www.osp.dgs.ca.gov)
- Attachment 6: Contractor Certification Clauses (CCC201). (The CCC can be found at www.dgs.ca.gov/contracts. Page one (1) must be signed and submitted prior to the award of the agreement, but is not required if the proposer/bidder has submitted this form to the awarding agency within the last three (3) years. (<http://www.ols.dgs.ca.gov/Standard+Language/Archive/ccc201.htm>)
- Attachment 7: Target Area Contract Preference Act (TACPA) (<http://www.documents.dgs.ca.gov/osp/pdf/std830.pdf>)
- Attachment 8: Enterprise Zone Act (EZA) (<http://www.documents.dgs.ca.gov/osp/pdf/std831.pdf>)

- Attachment 9: Local Agency Military Base Recovery Area (LAMBRA) Act
(<http://www.documents.dgs.ca.gov/osp/pdf/std832.pdf>)

Section 5 contains copies of Required Attachments 1 through 3 that are a part of this agreement. Attachments 4 through 9 must be downloaded from the Department of General Services web site. If you would like a paper copy of Attachments 4 through 9, please contact Ivan Jen at email address ivn@cpuc.ca.gov or phone number (415) 355-4994.

5. Required Attachments

ATTACHMENT 1

REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below.

Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist must be returned with your proposal package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer/Bidder Certification Sheet
_____ Attachment 3	Cost Sheet (Reminder: This sheet must be submitted under separate cover as described in Section 4.5.1 of the RFP)
_____ Attachment 4	Disabled Veteran Business Enterprise Participation Forms and Instructions. The standard contract language for the Disabled Veteran Enterprise Program (DVBE) can be found at the Internet web site http://www.pd.dgs.ca.gov/dvbe/default.htm . To view the DVBE package and obtain the required submittal forms go to this web site. Std. 840 Disabled Veteran Business Enterprise Participation Summary (page 1) OR Good Faith Effort Documentation – Exhibit A
_____ Attachment 5	Payee Data Record (STD 204) If currently not on file, this form can be found on the Internet at http://www.osp.dgs.ca.gov/ under the heading FORMS MANAGEMENT CENTER.
_____ Attachment 6	Contractor Certification Clauses (CCC201). The CCC can be found on the Internet at www.dgs.ca.gov/contracts Page one (1) must be signed and submitted prior to the award of the agreement, but is not required if the proposer/bidder has submitted this form to the awarding agency within the last three (3) years.
_____ Attachment 7	Target Area Contract Preference Act (TACPA). Contract language found at http://www.pd.dgs.ca.gov/edip/tacpa.htm
_____ Attachment 8	Enterprise Zone Act (EZA). Contract language found at http://www.pd.dgs.ca.gov/edip/eza.htm
_____ Attachment 9	Local Agency Military Base Recovery Area (LAMBRA) Act. Contract language found at http://www.pd.dgs.ca.gov/edip/lambra.htm

ATTACHMENT 2PROPOSAL/PROPOSER/BIDDER CERTIFICATION SHEET

This Proposal/Proposer/Bidder Certification Sheet must be signed and returned along with all the "required attachments" as an entire package with original signatures. The proposal must be transmitted in a sealed envelope in accordance with the RFP instructions.

Do not return the "Sample Standard Agreement" at the end of this RFP.

- A. Our all-inclusive cost proposal is submitted in a sealed envelope marked **"Sealed Cost Proposal - Do Not Open"**.
- B. Place all required attachments behind this certification sheet.
- C. I have read and understand the DVBE Participation requirements and have included documentation demonstrating that I have met the participation goals or have made a good faith effort.
- D. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

An Unsigned Proposal/Proposer/Bidder Certification Sheet**May Be Cause For Rejection**

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
<i>Indicate applicable license and/or certification information:</i>		
9. Contractor's State Licensing Board Number	10. PUC License Number CAL-T-	11. Required Licenses/Certifications
12. Proposer's/Bidder's Name (Print)		13. Title
14. Signature		15. Date
16. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. Small Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____		b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSBCR, if an application is pending: _____		

Completion Instructions for Proposal Proposer/Bidder Certification Sheet

Complete the numbered items on the
Proposal/Proposer/Bidder Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete if your firm holds a California contractor's license. This information will be used to verify possession of a contractor's license for public works agreements.
10	Complete if your firm holds a PUC license. This information will be used to verify possession of a PUC license for public works agreements.
11	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
12, 13, 14, 15	Must be completed. These items are self-explanatory.
16	If certified as a Small Business Enterprise, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3COST PROPOSAL WORKSHEET

(Agency may modify this page to meet their specific needs. This page may also be deleted if not needed)

DIRECT LABOR

DIRECT LABOR	HOURS	RATE	TOTAL
Program Manager	_____ @ _____		\$ _____
Staff Assistant	_____ @ _____		\$ _____
Technician	_____ @ _____		\$ _____
Clerical	_____ @ _____		\$ _____
			\$ _____

SUBCONTRACTOR(S) COST ITEMIZED

\$ _____

INDIRECT COSTS (OVERHEAD AND FRINGE BENEFITS)

Overhead Rate	_____ @ _____	
Fringe Benefits	_____ @ _____	
		\$ _____

DIRECT COSTS (EXCEPT LABOR)

Travel Costs	_____	
Equipment & Supplies (itemized)	_____	
Other Direct Costs (itemized)	_____	
		\$ _____

FEE (PROFIT)

\$ _____

TOTAL COSTS

\$ _____

ATTACHMENT 4

Disabled Veteran Business Enterprise Participation Forms and Instructions

Std. 840 Disabled Veteran Business Enterprise Participation Summary
(page 1) (<http://www.documents.dgs.ca.gov/pd/dvbe/std840.pdf>)

OR

Good Faith Effort Documentation – Exhibit A –
(<http://www.documents.dgs.ca.gov/pd/dvbe/goodfaith.pdf>)

ATTACHMENT 5

Payee Data Record (STD 204) (may be found at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER)

ATTACHMENT 6

Contractor Certification Clauses (CCC201). The CCC can be found at www.dgs.ca.gov/contracts. Page one (1) must be signed and submitted prior to the award of the agreement, but is not required if the proposer/bidder has submitted this form to the awarding agency within the last three (3) years.
(<http://www.ols.dgs.ca.gov/Standard+Language/Archive/ccc201.htm>)

ATTACHMENT 7

Target Area Contract Preference Act (TACPA)
(<http://www.documents.dgs.ca.gov/osp/pdf/std830.pdf>)

ATTACHMENT 8

Enterprise Zone Act (EZA) (may be found at
<http://www.documents.dgs.ca.gov/osp/pdf/std831.pdf>)

ATTACHMENT 9

Local Agency Military Base Recovery Area (LAMBRA) Act
(<http://www.documents.dgs.ca.gov/osp/pdf/std832.pdf>)

6. Sample Standard Agreement (STD 213)

Section 6 contains a sample Standard Agreement (contract) form and its accompanying exhibits. These documents are provided for your information and will be incorporated into the final agreement for services. The provisions in the Standard Agreement and its exhibits are non-negotiable, and any attempt by a bidder to modify these provisions may result in rejection of the bidder's proposal. **Do not return the documents in Section 6 with your proposal.**

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD 213 (Rev 06/01)

AGREEMENT NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:		

2. The term of this Agreement is:	through	
3. The maximum amount of this Agreement is:	\$	
4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.		
Exhibit A – Scope of Work		XX pages
Exhibit B – Budget Detail and Payment Provisions		XX pages
Exhibit C – General Terms and Conditions		
Check mark one item below as Exhibit D:		
<input type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)		XX pages
<input type="checkbox"/> Exhibit - D* Special Terms and Conditions		
Exhibit E – Additional Provisions		XX pages

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
 These documents can be viewed at www.dgs.ca.gov/contracts

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME: (If other than an individual, state whether a corporation, partnership, etc.)		
BY (Print/Typed Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
STATE OF CALIFORNIA		
AGENCY NAME:		
BY (Print/Typed Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
		<input type="checkbox"/> Exempt per:

EXHIBIT A

SCOPE OF WORK

1. Contractor agrees to provide to (agency name and acronym) (type of service) as described herein:

(Give brief overview of services to be provided.)

2. The services shall be performed at (location).
3. The services shall be provided during (time frame i.e., working hours, Monday through Friday, except holidays).
4. The project representatives during the term of this agreement will be:

State Agency	Contractor:
Name:	Name:
Phone:	Phone:
Fax:	Fax:

e-mail

e-mail

Direct all inquiries to:

State Agency:	Contractor:
Section/Unit:	Section/Unit:
Attention:	Attention:
Address:	Address:
Phone:	Phone:
Fax:	Fax:

e-mail

e-mail

5. Detailed description of work to be performed and duties of all parties. Address the following issues as applicable:
- Specifications, requirements
 - Personnel, staffing

- Coordination
- Results, deliverables
- Timelines, progress reports
- Evaluation, acceptance

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. **Invoicing and Payment**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.

Contract work will be administered by periodic work orders that will help focus the contractor's activities. **A delivery schedule will be determined after the Legal Division of the California Department of General Services approves the contract.**

Progress payment will be made monthly, in arrears, on the basis of work performed towards completion of the contract deliverables. 10% retention shall be withheld on each progress payment. Travel expenses, including transportation, lodging, and meals, will be a separate item and will be reimbursed at the same rate as provided for State management employees, as outlined in Code Section 599.615-636.

- B. Invoices shall include the Agreement Number and shall be submitted in quadruplicate not more frequently than monthly in arrears to:

Zee Wong, Program Manager
CPUC, Consumer Protection & Safety Division
505 Van Ness Ave.
San Francisco, CA 94102

2. **Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT C

GENERAL TERMS AND CONDITIONS

PLEASE NOTE: This page will not be included with the final contract. The General Terms and Conditions will be included in the contract by reference to Internet site www.dgs.ca.gov/contracts.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. **Excise Tax**

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. **Settlement of Disputes**

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the CPUC Director or his Designee within ten (10) days of discovery of the problem. Within ten (10) days, the CPUC Director or his Designee shall meet with the Contractor and Project Manager for purposes of resolving the dispute. The decision of the Commission Director or his Designee shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the bid proposal.

3. **Evaluation of Contractor**

Performance of the Contractor under this Agreement will be evaluated. The evaluation shall be prepared on Contract/Contractor Evaluation Sheet (STD 4), and maintained in the Agreement file. ***For Consultant agreements, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, if it is negative and over \$5,000.***

4. **Agency Liability**

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. **Potential Subcontractors**

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. **Utility Confidential Data**

In the performance of this contract, the Contractor may encounter confidential documents provided by the utilities. As a contractor with the CPUC, you will be entitled to access documents in accordance with the Public Utilities Code (PUC Code) and Commission's General Orders (GOs). As a condition of employment, the contractor, its subcontractors, and their employees, must agree to comply and be bound by the PUC Code and GOs including PUC Code §583 and GO 66C.

All documents containing confidential information provided by the utilities will be stamped confidential. Confidential information provided to any person or entity described above by the utilities must be maintained separate from non-confidential information, and given to the Commission at the end of the analysis. No documents are to be released to any entity outside those described above, the utilities or the Commission without prior written authorization from the Commission.

In addition, the Contractor must identify all confidential information contained in the draft and final reports to the Commission when delivered.

7. **Insurance Requirements**

Contractor hereby warrants that it carries Worker's Compensation Insurance for all its employees who will be engaged in the performance of this contract and agrees to furnish to State satisfactory evidence thereof at any time the State may request the same.

Contractor hereby warrants that it carries General Liability, Professional Liability, and Business Auto (if applicable) while engaged in the performance of this contract and agrees to furnish the State satisfactory evidence thereof at any time the State may request the same

8. **Contract performance**

In accordance with the State Contracting Manual (SCM), the Commission's Program Manager will: (1) ensure satisfactory delivery of all deliverables; (2) monitor the progress of the Consultant, especially for quality and performance deadlines; (3) provide for audit, especially for critical compliance issues; (4) review invoices for contract compliance, accuracy, and prompt payment; (5) track state deadlines and use of funds; (6) identify contract and contractor problems.

The Program Manager will determine whether or not:

1. the contractor satisfactorily performed all required services;
2. the contractor should be paid;
3. a formal evaluation is required;
4. services should be stopped or continued;
5. the contract or contracted services can be improved;
6. encumbered funds should be adjusted.

It shall be the determination of the Commission's Program Manager as to whether a deliverable or work authorization has been successfully completed. All tasks related to this RFP will be done through and with the approval of the Program Manager.

The Program Manager will monitor the performance of the contractor and the quality of the deliverables. The development of deliverables will involve close coordination between the contractor, the Commission Program Manager, and appropriate Commission staff. The Program Manager will have in place written agreements with the contractor regarding the purpose, scope, specifications, and schedule of each deliverable.

The Program Manager will be the contractor's point of contact regarding all contract or contractor problems. Commission reserves the right to suspend or withhold contractor payments in the event that the Program Manager determines that the contractor failed to adequately perform all required services. The Commission reserves the right to audit the contractor's invoices, other financial records related to the contract, and contract record keeping practices, at the Commission's discretion. Finally, the Commission reserves the right to cancel its contractual obligations to the contractor in the event of unsatisfactory performance on the part of the contractor, as determined by and at the recommendation of the Program Manager.

9. **Contract Supervision**

The Commission's Program Manager and the Prime Contractor will supervise the contract deliverables and administer the contract. The Commission will require that the Prime Contractor act as the communications contact between the Commission and the consultant team.

It shall be the determination of the Program Manager as to whether a deliverable or work authorization has been successfully completed. All tasks related to this RFP will be done through and with the approval of the Program Manager.

It is mandatory that the bidder act as Prime Contractor, even if some services (the Commission will require that the Prime Contractor be responsible for a minimum of 30% of the work performed as measured by total hours billed. The Commission will consider the Prime Contractor to be the sole party to the contract and will make all payments to the Prime Contractor. The bidder must accept full responsibility for all of the requirements expressed in the RFP and for the successful completion of all deliverables within the time frames stipulated to at the time of assignment. The Commission expressly requires that the Prime Contractor be the point of issue for all documents listed as deliverables. The Commission will not accept key documents directly from subcontractors without prior approval of the Program Manager.

10. **Ownership of data/ intellectual property**

Data, reports, studies, compilation models, analyses, methodologies, data, or any other intellectual property developed by the Consultant under this contract shall become the property of the State. The Consultant shall not disclose such property without the permission of the Commission's Program Manager. Each report, etc., shall also become the property of the State and shall not be disclosed to the extent it contains information the Consultant or the Commission received from a utility administrator except in such manner and such time as the Commission may direct. Otherwise, all other reports, etc. are public records of the State and are available to the public.

11. **Agreement for performing the evaluation**

During the term of this contract, the technical Consultant may require access to and become acquainted with confidential information and trade and business secrets of each utility program administrator. The technical Consultant, the Consultant's employees, and/or agents, during the term of this contract or at any time thereafter, will not disclose any confidential information or secrets, directly or indirectly, or use the same in any manner whatsoever, except as required in connection with the Consultants performance under the contract. The Consultant, its employees, and/or agents will be required to sign a Nondisclosure Agreement stipulating to the aforementioned disclosures.

All files, records, documents, drawings, specifications, vendor proposals, pricing estimates, costs, and similar items relating to the business and affairs of the utility program administrator whether prepared by the technical Consultant or otherwise coming into the possession of the technical Consultant, shall be and remain the sole, exclusive and valuable property of the utility.

12. Availability of Documents

In order to prepare bids in response to the RFP, prospective bidders may wish to review the following Commission documents:

1. Decision (D) 99-07-029
2. General Order (GO) 95
3. Public Utilities (PU) Code Section 451

These documents are available at the Commission's San Francisco Headquarters Office located at the following address. They may also be available on the Commission's web site: www.cpuc.ca.gov.

Central File Room	Central File Room
505 Van Ness Avenue, 2 nd Floor	107 South Broadway, Room 5109
San Francisco, CA 94102	Los Angeles, CA 90012
(415) 703-2045	(213) 897-2973

13. Consultant - Staff Expenses

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with any governmental entity.

14. Public Works - Rules/Regulations

Contractor shall observe and comply with all federal, state, city, and county laws, rules or regulations affecting the work. Any work done that does not comply with any laws, rules, or regulations will be remedied at the Contractor's expense.

Exhibit E

ADDITIONAL PROVISIONS

1. Consultant - Staff Expenses

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with any governmental entity.

2. Subcontracts

Contractor shall submit any proposed subcontracts to the State for its written approval before entering into the same. No work shall be subcontracted without the prior approval of the State. Upon termination of any sub-contract, the State shall be notified immediately.

If the terminated subcontractor is a DVBE, the contractor must replace the subcontractor within the same participation category and such replacement must be approved by the Commission. Failure to adhere to DVBE Participation may be cause for contract termination and recovery of damages under the rights and remedies due the state under the default section of the contract. The Agreement shall permit the State to audit the Contractor to verify compliance with DVBE regulations.

3. Relationship with Contractor and Subcontractor

Contractor shall be responsible for all actions of subcontractors and all payment to subcontractors. Failure of a subcontractor to perform for any reason shall not relieve Contractor of the responsibility for competent and timely performance of duties under this contract. Commission staff will not deal with subcontractors except through Contractor's Project Manager.

All requests for changes of work within this contract shall be in writing between the Project Manager for Commission and the Project Manager for Contractor.

4. Commission Staff

Commission staff will be permitted to work side by side with Contractor's staff to the extent and under conditions directed by the Commission's Project Manager. In this connection, Commission staff will be given access to all data, working papers, etc., which Contractor may seek to utilize.

5. Use of State Personnel

Contractor will not be permitted to use State personnel for the performance of services which are the responsibility of Contractor unless such use is previously agreed to in writing by the Commission's Project Manager, and an appropriate adjustment in price is made. No charge will be made to contractor for the services of State employees performing coordination or monitoring functions.

6. Changes in Time for Performance of Tasks

The time for performance of tasks and items within the budget, but not the total contract price, may be changed by written approval of the Commission's Project Manager. However, the date for completion, the total contract price, and scope, as well as, all other terms may be altered only by formal amendment of this contract.

7. **Change of Personnel**

Contractor and Subcontractor's key personnel as indicated in the attached resumes may not be substituted without the Commission's Contract Manager's prior written approval.

8. **Ownership of Data**

Data developed for this contract shall become the property of the State. It shall not be disclosed without the permission of the Commission's Project Manager. Each report shall also become the property of the State and shall not be disclosed except in such manner and such time as the Commission's Project Manager may direct, with the exception of data which have become part of the public records of the State, as discussed in Paragraph 9.

9. **Confidentiality of Data/Nondisclosure Agreement**

The Consultant ("Signatory"), by signing this Agreement agrees to perform the task(s) under this Agreement. The signatory recognizes that it must have full and unfettered access to information and documents within the knowledge and possession of various entities under the regulatory jurisdiction of the Commission. The Signatory also recognizes that some of this information may be proprietary, confidential, or privileged in nature.

The Signatory further recognizes that the Commission Staff has broad statutory authority to compel the production of such information subject to the provisions of Public Utilities Code 583 and General Order 66-C. The Signatory understands that these legal provisions generally preclude public disclosure of information obtained in confidence except during the course of a public hearing or with permission of the Commission.

The Signatory acknowledges that it has received a copy and read Public Utilities Code Section 583 and General Order 66-C, and agrees to be subject to and to fully comply with these legal provisions in discharging its responsibilities. Such compliance includes abiding by the terms of prohibiting public disclosure of confidential information and submitting to the jurisdiction of the Commission for the purposes of enforcing Public Utilities Code Section 583.

The Signatory further recognizes that much of the information obtained during the course of its work for the Commission may be subject to other privileges for nondisclosure, and may not be disclosed without the consent of the Commission or its Staff who include, but are not limited to, attorney work product privilege, the official information privilege, the attorney-client privilege, and other prohibitions precluding disclosure of confidential information.

The Signatory agrees not to disclose any information regarding its work to third parties except with the Commission Staff's express written consent, and to return all documents obtained during the course of the Agreement. The signatory agrees to notify the Commission Staff of any inquires and/or request for disclosure from any such third parties.

The Signatory will not comment publicly to the press or any other media regarding its work, or the Commission's action on the same, except to the Commission Staff, Signatory's own personnel and/or subcontractors involved in the completion of tasks under this agreement, or at a public hearing, or in response to questions from a legislative committee.

In addition, the Signatory agrees that prior to commencement of any work associated with this Agreement, the signatory shall: (1) provide a copy of this section of the Agreement, Public Utilities Code Section 583 and General Order 66-C to all who will be performing tasks under this Agreement; and (2) inform all those working under this Agreement that they are such to these legal provisions and must comply with Confidentiality of Data Agreement/Nondisclosure Section.

Ninety days after any document submitted has become a part of the public records of the State, Signatory may at its own expense, publish or utilize the same but shall include the following legend:

LEGAL NOTICE

This report was prepared as an account of work sponsored by the California Public Utilities Commission. It does not necessarily represent the views of the Commission or any of its employees except to the extent, if any, that it has formally been approved by the Commission at a public meeting. For information regarding any such action, communicate directly with the Commission at 505 Van Ness Avenue, San Francisco, California 94102. Neither the Commission nor the State of California, nor any officer, employee, or any of its contractors or subcontractors makes any warranty, express or implied, or assumes any legal liability whatsoever for the contents of this document.

10. **Termination-Bankruptcy**

In the event proceedings in bankruptcy are commenced against the Contractor, it is adjudged bankrupt, or a receiver is appointed and qualifies, the State may terminate this agreement by giving five days' notice in writing to the Contractor.

11. **Termination at State's Option**

State may at its option terminate this contract, with or without cause, at any time upon giving 30 days notice in writing to Contractor. In such event, Contractor agrees to use all reasonable efforts to mitigate its expenses and obligations hereunder. In such event, State shall pay Contractor for all satisfactory services rendered prior to such notice of termination and for all expenses incurred by Contractor prior to said termination which are not included in charges for service rendered prior to termination and which could not by reasonable efforts of Contractor have been avoided.

12. **Termination in Event of Breach**

In the event of any breach of this contract, the State may without any prejudices to any of its other legal remedies terminate this contract upon five days' written notice to the Contractor.

13. **Waiver**

No waiver of any breach of this contract shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this contract shall be taken and construed as cumulative: that is, in addition to every other remedy provided herein or by law. The failure of State to enforce at any time any of the provisions of this agreement, or to require at any time performance by Contractor of any of the provisions thereof, shall in no way be construed to be a waiver of such provision nor in any way to affect the validity of this agreement or any part thereof or the right of State to thereafter enforce each and every such provision.

14. **Gratuities**

- A. The State may, by written notice to the Contractor, terminate the right of Contractor to proceed under this contract if it is found, after notice and hearing by the State or by Executive Director of the Public Utilities Commission or duly authorized representative, that gratuities were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the State with a view toward securing a contract, securing favorable treatment with respect to award amendment, or the evaluation of performance of such contract, provided that the facts upon which either the Commission or the Executive Director makes such findings may be reviewed in any competent court.
- B. In the event this contract is terminated as provided in paragraph 27(A), State shall be entitled (i) to pursue the same remedies against Contractor as it could pursue in the event of the breach of the contract by the Contractor, and (ii) to a penalty in addition to any other damages to which it may be entitled by law, and to exemplary damages in an amount which shall be not less than

three nor more than ten times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

The rights and remedies of State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

15. Conflict of Interest

Contractor agrees to refrain from entering into any relationship which could result in a conflict of interest in the performance of this Agreement; and to notify the Commission's Project Manager promptly of any potential conflict of interest, including subcontractors. The Commission may exercise its option to terminate this Agreement if a conflict is found.

16. Agreement is Complete

Other than as specified herein, no document or communication passing between the parties hereto shall be deemed a part of this Agreement.

17. Captions

The clause headings appearing in this agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit, or extend the scope or intent to the clauses to which they appertain.

18. Force Majeure

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of god such as earthquakes, floods and other natural disasters such that performance is impossible.

19. Counterparts (OPTIONAL)

For the convenience of the parties, any number of counterparts of this Agreement may be executed by the parties hereto. Each such counterpart shall, and shall be deemed to be, an original instrument, but all such counterparts taken together shall constitute one and the same agreement.